

MINUTES

REGULAR MEETING OF
CITY OF ALAMEDA ECONOMIC DEVELOPMENT COMMISSION
THURSDAY, NOVEMBER 15, 2007
7:30 PM

1. CALL TO ORDER AND ROLL CALL

Chairman Wetzork called the meeting to order at 7:34 p.m.

Present: Chairman Wetzork. Commission Members: Autorino, Bonta, Dahlberg, Lindsey, Schmitz, and Zuppan

Absent: Commission Member Ryan

Vacancy: (1)

Staff: Jennifer Ott, Eric Fonstein, and Rosemary Valeska

2. MINUTES

2.a. Minutes of the Regular Meeting of October 18, 2007

Motion (Zuppan), seconded, and unanimous to approve the minutes of the Regular Meeting of October 18, 2007 as submitted.

3. CONSENT CALENDAR

(None)

4. ORAL COMMUNICATIONS – PUBLIC

(None)

At this time, Chairman Wetzork stated that Item 5.a. would be moved to follow the Alameda Point presentation.

6. NEW BUSINESS

6.b. Alameda Point Oral Update

Debbie Potter, Base Reuse and Community Development Manager, recapped the history of the Master Developer Request for Proposal process and the July 2007 Exclusive Negotiation Agreement (ENA) with SunCal, which includes a master schedule. The development concept needs to be completed by March 2008, along with the infrastructure and business plans to support that draft concept. SunCal will then be allowed

two months to refine the development concept into a draft master plan, which will be the basis for planning approvals. The master schedule allows 18 months to complete the EIR and Disposition and Development Agreement (DDA) negotiations. The two main goals in the next 24 months are the completion of the regulatory planning approvals and approval of the DDA. The City has been working on Alameda Point for ten years and ARRA has made it clear that they don't want any more delays.

SunCal's first community outreach meeting was held on October 24. The next meeting is scheduled for Thursday, December 13, 6:30 p.m., at the O'Club. The November 28 WRT/Solomon meeting has been cancelled.

ARRA has established the Alameda Point Advisory Task Force. ARRA has established a clear role for this task force. Between now and May 2008, the task force members will meet with and advise SunCal as to their respective board or commission's policies and positions relating to Alameda Point. The task force members will then report back to their respective boards or commissions. When the entitlement process begins, the boards and commissions will be up to speed because of the updates from their task force representatives. Staff has gone to ARRA twice to clarify the role of the task force, and we now know the desire and intent of ARRA regarding this. The task force's work is scheduled to be completed by May 2008.

SunCal is planning monthly public meetings between now and May 2008. SunCal wants the public input; however, SunCal must also meet their mandatory milestones.

SunCal is working on a land plan showing constraints and opportunities for the site. A meeting with the Navy is scheduled next month regarding these constraints and opportunities. A presentation of the land plan to ARRA will then be scheduled. SunCal will then need to work on their economic model.

Ms. Potter also discussed the written report that had been distributed to the members regarding the Coast Guard Housing surplus property process. Commission Member Autorino asked about the federal auction process. Ms. Potter explained the federal screening process – priority is given to first, homeless providers, and second, for public benefit conveyances, e.g., parks, schools, jails, or self-help housing. Any remaining property could be disposed of by auction – anyone could bid; however, there would be a minimum bid requirement. Commission Member Zuppan asked what improvements would need to be made if the former Coast Guard Housing became homeless housing. Ms. Potter responded that the proposers would need to demonstrate their viability and provide a business plan. She also stated that homeless housing could help the City meet its affordable housing goals.

Commission Member Schmitz asked about the SunCal ENA provision, which allows for the possibility of administrative approval by the Deputy Executive Director of an additional one-year extension of mandatory milestones beyond a two-year extension if certain conditions apply. Ms. Potter stated that this provision addressed SunCal's concerns about unforeseen delays caused by third party regulators such as the State Lands Commission or Fish & Wildlife, as well as possible lawsuits against the EIR. Ms. Potter emphasized that ARRA wants this project done. This item was provided for information, only; no EDC action was requested.

5. UNFINISHED BUSINESS

5.a. Recommendation to Endorse the Update to the Economic Development Strategic Plan

Commission Member Dahlberg read a memo into the record that he had prepared for distribution at this meeting (*Alameda Economic Development Commission Rough Discussion Draft*, dated November 15, 2007). This memo is provided as an attachment to these minutes.

Commission Member Zuppan stated that she had attended the October 24 SunCal Community Workshop and had brought a copy of the draft EDSP update to see if it related. She stated that as a result of this, she saw the need to develop an extra strategy, which would communicate to developers the need to deliberately consider the changing needs of a growing community.

Commission Member Bonta stated that not all of the items in Commission Member Dahlberg's memo pertained to the EDSP. He asked if a new section on Alameda Point or large scale development was being proposed. Commission Member Dahlberg responded yes, that the EDC has not been reviewing development on a regular basis, and it is the EDC's responsibility to do something. Commission Member Dahlberg recommended that the Executive Summary be amended to add a new strategy no. 1 regarding the conduct of large scale developments, greater than 20 acres.

Chairman Wetzork stated that the EDSP update is a broad document providing strategies that can be changed over a period of time – not cast in cement. Chairman Wetzork also stated that the City has many important "small scale" projects, less than 20 acres.

Commission Member Schmitz stated that the nature of development, such as biotech, is planned and not planned. All the activities create a critical mass. We have to focus on priorities and still be able to take advantage of opportunities; there is a common ground.

Commission Member Dahlberg asked about strategies for managing development. Commission Member Zuppan stated that there needs to be a strategy that requires the integration of all the strategies – in the form of an introduction to the document or as a strategy. Commission Member Zuppan had prepared suggested text and read it into the record:

Integration of developments into the evolving fabric of the community, with deliberate consideration of developing needs, meaning or including:

- attracting businesses and jobs that reflect the existing community to encourage local employment, reduce traffic congestion, and create positive environmental and community impacts;
- balance between housing, business, and public services and amenities, including youth, the arts, and community gathering space; and
- encourages housing that mirrors the evolving nature of the city's needs, including timing of development waves.

Commission Member Autorino stated that Commission Member Zuppan presented a strategy, and that the seven items listed in the Executive Summary were tactics.

Commission Member Dahlberg moved that the present draft of the EDSP update be amended to include a strategy for large scale development, which would include the means whereby to assure that the aims are achieved. Motion was seconded. Chairman Wetzork requested a roll call vote. Commission Member Dahlberg voted "aye." Commission Member Lindsey stated that she was undecided. All other Commission Members voted "no." Motion failed.

Motion (Schmitz), seconded, and unanimous to amend the draft EDSP update by adding an "Economic Development Vision," which would be intended as the overarching strategy of the economic development vision, using the above-stated language as read into the record by Commission Member Zuppan. This Mission Statement section will be called out as a separate item in the table of contents and be inserted after the Executive Summary.

6. NEW BUSINESS

6.a. Update on Alameda Landing Retail Leasing Strategy

Ms. Potter stated that this presentation was a follow-up to the EDC's approval of the Alameda Landing Strategic Project Marketing and Leasing Plan in May 2007. Ms. Potter introduced Greg Moore, Catellus Vice President, who is in charge of Alameda Landing leasing. Mr. Moore stated that there will not be a Target at Alameda Landing due to lack of space. Alameda Landing will not be a "power center," and there will be no "big box" stores (i.e., 90,000 square feet or greater). The tenants that Catellus is talking to would be no larger than 50,000 square feet. Mr. Moore stated that the market was moving away from them.

General discussion and questions followed. Commission Member Zuppan asked about rents. Mr. Moore responded that the rents Catellus is seeking are within the rates seen in the East Bay. Commission Member Dahlberg asked for more clarification regarding Mr. Moore's statement regarding the market moving away from them. Mr. Moore responded the sub prime mortgage situation is also affecting retail, especially areas such as home improvement and furniture stores. Commission Member Bonta asked if Mr. Moore could name some of the potential retailers. Mr. Moore responded that at this time, he could only state the categories. Commission Member Bonta asked if any smaller retailers had submitted letters of intent. Mr. Moore responded that the large tenants will drive the smaller tenant lineup. Commission Member Schmitz stated that he wanted to know more about the kind of restaurants and quick service restaurants (QSRs) were being pursued – would it be like Catellus' Pacific Commons project in Fremont (P.F. Chang), or would it end up like Bridgeside (Taco Bell, Cheesesteak, and Hawaiian Barbeque). This will set the tone of what Catellus thinks of our community. Mr. Moore responded that he sees Bridgeside as a grocery-anchored center; Alameda Landing is a different type of center. Commission Member Lindsey asked if Catellus would have to resort to Taco Bell to get the spaces filled. Mr. Moore responded that Catellus would abide by the approved leasing plan and that Alameda Landing would be a quality development. This item was provided for information, only; no EDC action was requested.

6.c. Consider the Cancellation of the December 20, 2007 Regular Meeting

Motion (Zuppan), seconded, and unanimous to cancel the December 20, 2007 Regular Meeting.

7. REPORTS

7.a. Oral Report: Chairman Wetzork – Chair of the Economic Development Strategic Plan Update Subcommittee

Chairman Wetzork stated that a report was not needed due to the previous EDSP agenda item.

7.b. Oral Report: Chairman Wetzork – EDC representative to the Pedestrian Task Force

Chairman Wetzork reported that the task force had met the previous evening to review and discuss the draft pedestrian plan. The group was in favor of the plan, with just a few minor changes.

7.c. Oral Report: Commission Member Autorino – EDC representative to the City of Alameda Task Force of the Alameda County Climate Protection Project

Commission Member Autorino stated that there had been no meeting this past month, and the minutes of the previous meeting had not yet been issued.

7.d. Oral Report: Commission Member Schmitz – EDC representative to the Alameda Point Advisory Task Force – regarding the October 24, 2007 SunCal Community Workshop

Commission Member Schmitz reported that he and several other EDC members had attended this workshop. He commented that it was a “well run dog and pony show” by SunCal, with an impressive array of consultants. The SunCal team presented a list of constraints, including environmental cleanup and the effects of global warming. He also noted that there was no strong voice from the City there – it was definitely SunCal’s show – and hoped that would change at future community meetings.

8. WRITTEN COMMUNICATIONS

8.a. Upcoming EDC Agenda Items

8.b. *Redevelopment – Building Better Communities*

9. ORAL COMMUNICATIONS – COMMISSION MEMBERS AND STAFF

9.a. Staff update – Alameda Theater & Parking Structure Project

Mr. Fonstein stated that painting and plastering work is underway at the parking garage. Bicycle “elockers” will be installed in the parking garage with help from a County grant. On November 6, the City Council awarded Ampco the contract for parking garage operations and maintenance. The garage is currently scheduled to open in January 2008. Permanent power has been established to the Alameda Theater. Final painting and gilding is underway in the auditorium and lobby. The marquee blade sign has been relamped and painted, the lighting on the marquee has been upgraded, and glass on the storefronts has been installed. On November 6, the CIC approved leases with Alameda Wine Company and BurgerMeister for the historic theater retail spaces. The projection room and stage is almost ready to be turned over to the developer. The theater is currently scheduled to open in March 2008.

Commission Member comments:

- Chairman Wetzork reminded all that the City Council recently approved an increase in parking meter fees and fines in the Park Street Business District.
- Chairman Wetzork stated that he recently learned from the Deputy City Manager that there is a remote chance of the City considering an historical building ordinance, which could result in preventing Peter Wang from including a farmers market in his proposed Del Monte Building project.
- Commission Member Lindsey mentioned the school district's ongoing problems with high enrollment demand and not enough spaces at certain preferred schools. She stated that many parents are deciding to enroll their children in private schools, and that the overall decline in enrollment would have an adverse effect on school district funding, and ultimately school quality and the local economy. She recommended that the EDC follow this situation.

10. ADJOURNMENT

The meeting was unanimously adjourned at 9:10 p.m.

Respectfully submitted,

Jennifer Ott
Redevelopment Manager

JO:rv